Higher price for sale of cement near plant areas

633. SHR1 C. RAMACHANDRAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has come across cases wherein the cement manufacturers in the country are charging higher prices for the cement sold near the cement plant areas and for a lesser price at far off places despite the added burden of transport costs;

(b) if so, the names of the companies following such practices;

(c) the details thereof and the level of compliance by the companies; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE, AND INDUSTRY (SHR1 ASHWANI KUMAR): (a) No, Sir. There may be variations in prices, including regional variations, due to variety of factors like demand and supply, distance from manufacturing centres, local taxes imposed by the State Governments etc.

(b) to (d) Do not arise.

Hike in tyre prices

634. SHRIMATI VIPLOVE THAKUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that prices of tyres of all kinds of vehicles have gone up since January this year;

(b) what are the reasons for increase in the prices of tyres when the price of natural rubber has registered a decline by 20 to 22% and excise duty has registered a decline of about 50% in the last three years; and

(c) whether Government has looked into the matter and if so, with what results?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE, AND INDUSTRY (SHRI ASHWANI KUMAR): (a) There has been a marginal rise in the prices of bus/truck tyres since February, 2008.

(b) The annual average price of natural rubber in the domestic market has increased from Rs. 60.68 per kg. in 2005 to Rs. 90.08 per kg. in 2007. There has been no reduction in the excise duty on tyres since 2005-06.

(c) Tyre is a de-licensed and de-reserved item. Tyre prices are determined by market forces. Government had reduced customs duty from 12.5% to 10% in 2007-08 to make imports of tyres cheaper and augment the supply of tyres.

Decline in production of cashew

635. SHRI K**.** CHANDRAN PILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the production of cashew in the country has been decreasing over the years;

(b) if so, whether Government has evolved any comprehensive plan to increase the production of cashew in the country and the details thereof;

(c) whether there is a proposal for setting up of a Cashew Board headquartered at Kollam in Kerala; and

(d) if so, the details thereof alongwith the details of steps taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) No Sir. On the contrary, the production of raw cashew nuts in India during the last five years as estimated by the Directorate of Cashewnut and Cocoa Development, have increased from 5.06 lakh MTs in 2002-03 to 6.20 lakh MTs in 2006-07.

(c) and (d) The Government had commissioned a study by the Indian Institute of Foreign Trade (IIFT) to look into the feasibility of establishing a Cashew Board. The IIFT has given its interim report on the subject. This report is under examination by the Government.

Crisis in traditional export oriented industries due to rupee appreciation

636. SHRI K. CHANDRAN PILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that export oriented traditional industries particularly cashew are facing serious crisis due to continued rupee appreciation;

(b) if so, the details of the sectors affected by this phenomenon;

(c) whether Government has taken steps to protect the interest of such industries; and

(d) if so, the details of the measures taken by the Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir. Some of the traditional sectors which have shown negative export growth for the period ending December, 2007 as compared to the same period last year are tea (-9.4%), cashew (-9.9%), foods and vegetables (-32.3%), Marine products (-50-1%), leather and leather manufacturing (-19-6%), carpet (-37.5%), handicrafts excluding hand-made carpets (-75.5%).

(c) and (d) With a view to provide relief to the exporters to check the adverse effect of rupee appreciation, Government has taken many steps which *inter-alia* include accelerated reimbursement of certain dues to exporters, reduction in the rate of interest on pre-shipment and post-shipment credit, revision in drawback rates and Duty Entitlement Passbook Scheme (DEPB) rates, refund/exemption of service tax in respect of certain services involved in exports, provision of payment of interest on EEFC balances, reduction of Export Credit and Guarantee Corporation (ECGC) premia rates.

Threat to Indian cardamon due to cheap imports

637. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Indian cardamom is likely to face threat from cardamom of Guatemala due to cheap import;